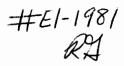
STEPTOE & JOHNSON LLP





David H. Coburn 202.429.8063 dcoburn@steptoe.com 1330 Connecticut Avenue, NW Washington, DC 20036-1795 Tel 202.429.3000 Fax 202.429.3902 steptoe.com

April 19, 2006

Ms. Rini Ghosh Section of Environmental Analysis Surface Transportation Board 1925 K Street, N.W. Washington, D.C. 20423

Re: STB Finance Docket No. 34284, Southwest Gulf Railroad Company – Construction and Operation Exemption – Medina County, TX

Dear Ms. Ghosh:

This will reply on behalf of Southwest Gulf Railroad Company ("SGR") to certain questions posed by your office with respect to the cut and fill analysis that URS is undertaking in connection with the preparation of a Supplemental Environmental Impact Statement.

1. What size rail section and what type and length of crossties does SGR propose to use?

SGR intends to utilize 119# rail section (CWR) and industrial grade crossties (7 1/2" x 8 1/2" x 8 1/2") However, market conditions and materials availability at the time of construction may necessitate the use of alternative rail construction materials.

2. What is the maximum degree of curvature that will be used?

The maximum degree of curvature will vary from 3°-00' on SGR's main track to 7°-30' on the loop track.

3. Will the track be constructed and maintained to FRA Class 2 or Class 3 standards?

The proposed track will be constructed and maintained to FRA Class 3 standards.

4. Why is an industrial track cross-section with 6 inches of sub-ballast and 6 inches of ballast rather than a standard mainline cross-section with CWR and 10 to 12 inches of sub-ballast and 12 inches of ballast such as that used by the Union Pacific Railroad?

Ms. Rini Ghosh April 19, 2006 Page 2

This cross-section is based on preliminary engineering analysis and assumptions. Final engineering design of the roadbed will be further clarified upon completion of a geotechnical study of an approved route.

5. What type of bridge construction does SGR plan to use?

The design of bridge(s) has not been undertaken at this time. Where a bridge is required, SGR will design and construct such a bridge incorporating commonly used materials such as timber, concrete and steel, or some combination thereof.

6. Will passing sidings be provided? What is the average length and spacing?

No passing sidings are planned along the SGR line.

7. How will the interchange with the Union Pacific Railroad be conducted with respect to trackage and operations?

Details have yet to be worked out with the Class I railroads that may serve the area as to how cars will be interchanged.

8. Will a gravel access road be provided adjacent to the track? If so, typically at what location?

A gravel access road to be used solely for servicing and maintaining the track will be provided immediately adjacent to the track, other than at crossings of drainage features.

9. What type of culvert construction will be used?

Corrugated metal pipe (CMP), concrete box culverts, or a combination thereof will be utilized for this project.

10. Will retaining walls be used? At what locations will retaining walls typically be used?

Retaining walls may be used in areas of significant excavation where soils are considered to be unstable. Those areas will be evaluated during the geotechnical study phase of an approved route.

11. What type of retaining wall construction will be used?

Retaining wall construction type will be determined during the geotechnical study phase of an approved route.

12. What type of locomotives (if not UP power) and aggregate cars will be utilized?

Ms. Rini Ghosh April 19, 2006 Page 3

Diesel-Electric locomotives, the number and horsepower requirements for which will be determined upon the approval of a final route and the design grade of such route is finalized. Gondolas and/or bottom-dump hopper cars will be utilized for the transport of the aggregate.

Please let me know if you have any further questions.

Sincerely,

David H. Coburn

Attorney for Southwest Gulf Railroad

cc: Ms. Vicki Rutson

Ms. Jaya Zyman-Ponebshek